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TEXAS WATER COMMISSION

B. J. Wynne, III, Chairman  
Paul Hopkins, Commissioner  
John O. Houchins, Commissioner



Allen Beinke, Executive Director  
Michael E. Field, General Counsel  
Brenda W. Foster, Chief Clerk

September 11, 1989

TXD 047823265

Mr. R. E. Torrance, Senior Vice President  
C. P. Chemicals, Incorporated  
One Parker Plaza  
Fort Lee, New Jersey 07024

Re: Southern California Chemical Company, Incorporated  
Solid Waste Registration No. 30680  
Status of Compliance

Dear Mr. Torrance:

On March 17, 1989, Texas Water Commission (TWC) Representatives from the District 4 area office inspected the above noted facility. During the inspection, violations of the solid waste rules were alleged and these areas of noncompliance were noted in a Notice of Violation letter from this office dated June 5, 1989.

A letter from Camp Dresser & McKee, Inc. dated August 21, 1989 with an attached letter dated August 14, 1989, included the updated closure plan and schedules for corrective action which you have proposed to remedy the noncompliances. The deficiencies noted in our inspection which have been addressed by your previous letters include 40 CFR §265.112 - Closure plan; amendment of plan; and 31 TAC §335.127 - Cost Estimate for Closure.

Concerning 31 TAC §335.112(a)(9) - Tanks, incorporating 40 CFR §265.193(a), (d), and (e) - Containment and detection of Releases, it was stated that tank systems for the Cupric Ammonium and the Cupric Chloride would be modified by February 1, 1990. It appears that completion of the actions and schedules described in your June 28, 1989 letter will resolve the remaining deficiency. Towards that end, we anticipate receipt of update information on the modification of your tanks by February 16, 1990.



F.I.

EPA

# TEXAS WATER COMMISSION

B. J. Wynne, III, Chairman  
Paul Hopkins, Commissioner  
John O. Houchins, Commissioner



TXD 047823265

Allen Beinke, Executive Director  
Michael E. Field, General Counsel  
Brenda W. Foster, Chief Clerk

June 5, 1989

89 MPV

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Wayne Millsap, Plant Manager  
Southern California Chemical Company, Incorporated  
1000 North First Street  
Garland, Texas 75040

Re: Southern California Chemical Company, Incorporated  
Solid Waste Registration No. 30680  
Notice of Solid Waste Violations

Dear Mr. Millsap:

On March 17, 1989, Richard Clarke of the Texas Water Commission (TWC) District 4 office conducted an inspection of the above referenced facility to determine compliance with the Commission's rules pertaining to solid waste management. During the inspection, conditions were observed and documented that we believe constitute noncompliance with the solid waste rules. The following areas of alleged noncompliance were observed:

1. 40 CFR §265.112 - Closure plan; amendment of plan

(b) Content of plan. The plan must identify steps necessary to perform partial and/or final closure of the facility at any point during its active life. The closure plan must include, at least the items included in this section.

Pertaining to the closure of the container storage area, Southern California Chemical Company, Inc. does not address all hazardous waste facilities in its closure plan. Also, the company's closure plan does not include a description of how and when the facility will be finally closed; an up-to-date estimate of maximum inventory of hazardous waste in storage and treatment at any time during the life of the facility; and a schedule which includes time estimates for each phase of closure for each area. Lastly, the plan does not include steps to close for the following areas: removal of wastes, and disposal of wastes.



2. 31 TAC §335.127 - Cost Estimate for Closure

In addition to the requirements of 40 Code of Federal Regulations §265.142, the closure cost estimate must be based on the costs to the owner or operator of hiring a third party to close the facility and to dispose of the wastes off-site as stated in this rule.

The closure cost estimate does not include costs for closure of the container storage area. The closure cost estimate for the two tank systems is not adequate.

3. 31 TAC §335.112(a)(9) - Subpart J -- Tanks; incorporating 40 CFR §265.193(a), (d), and (e) - Containment and detection of Releases

(a) In order to prevent the release of hazardous waste or hazardous constituents to the environment, secondary containment that meets the requirements of this section must be provided.

(d) Secondary containment for tanks must include one or more of the following devices: a liner (external to the tank); a vault; a double-walled tank; or an equivalent device as approved by the Regional Administrator.

(e) In addition to the requirements of paragraphs (b), (c), and (d) of this section, secondary containment systems must satisfy the requirements as enumerated in this subsection.

The secondary containment system for each of the two tank systems has not been installed according to the specifications in this section. The vault currently in place at this facility is not provided with an impermeable interior coating/lining, nor does it have the appropriate chemically-resistant water stops at all joints. Lastly, the tanks are not in compliance with the date specified for existing tanks to be in compliance with this rule.

Concerning these alleged noncompliances, we request your response in writing with a schedule for corrective action(s) within thirty (30) days from your receipt of this letter. We also request that you advise us of any corrective action which you have taken.

An on-site inspection or review of records will be conducted at the appropriate time to verify compliance. You are advised that failure to respond within the requested time frame and adequately

remedy solid waste noncompliances may result in the initiation of formal enforcement action which could lead to administrative penalties of up to \$10,000 per day assessed against the company by the Texas Water Commission.

A copy of the Texas Administrative Code (TAC) regulations can be obtained for a fee from Agency Information Consultants, Inc., P.O. Box 2181, Austin, Texas, 78768; telephone number 512/478-8991. The Code of Federal Regulations (40 CFR Parts 190-399) are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402.

If you have any questions regarding these matters, please contact Ms. Grace Montgomery of the TWC Hazardous and Solid Waste Enforcement Section at 512/463-8425.

Sincerely,

A handwritten signature in dark ink, appearing to read "Russell S. Kimble", followed by a horizontal line.

Russell S. Kimble, Chief  
Hazardous and Solid Waste Enforcement Section  
Hazardous and Solid Waste Division

GMM

cc: TWC District 4 Office  
Mr. Ken Zarker, Reports and Information Management Unit



TXD047823265 IA

30680

## Texas Water Commission


### INTEROFFICE MEMORANDUM

TO : J. D. Head, Director  
THRU : Legal Division

DATE: 12/12/86

FROM : William G. Newchurch, Assistant Director  
Hazardous and Solid Waste Division  
SUBJECT: Preliminary Report  
Southern California Chemical Co.  
Solid Waste Registration No. 30680

Transmitted herewith for action by the Legal Division is the Executive Director's Preliminary Report to the Commission for the above-referenced entity.

  
\_\_\_\_\_  
William G. Newchurch  
Assistant Director

cc: Russell Kimble, Reports and Management Group  
TWC District 4 Office - Deer Park

# Texas Water Commission

## INTEROFFICE MEMORANDUM

TO : Texas Water Commission

THRU :

FROM : Larry R. Soward, Executive Director

SUBJECT: Preliminary Report  
Southern California Chemical Co.  
Solid Waste Registration No. 30680

DATE:

Attached for your consideration is the Executive Director's Noncompliance Report for Southern California Chemical Co.

I. Summary of Noncompliance

Southern California Chemical Co. has failed to secure financial assurance for closure costs.

II. Summary of Penalties

The total recommended penalties for noncompliance through December, 1986 is \$8,100.

III. Technical Recommendations

In order to rectify these noncompliances within a reasonable time period, a scheduled Commission Order is recommended for Southern California Chemical Co.

---

Larry R. Soward  
Executive Director



EXECUTIVE DIRECTOR'S PRELIMINARY REPORT  
TO THE COMMISSION

Southern California Chemical Co., Inc.  
1000 North First Street  
Garland, Texas 75040  
Solid Waste Registration No. 30680

Industrial Solid Waste Registration No. 30680

I. WASTE MANAGEMENT ACTIVITIES

Location: Southern California Chemical Company is located at 1000 North First Street, Garland, Texas 75040.

Description of Waste Management Activities: Southern California Chemical Company is a recycler of cupric ammonium chloride and cupric chloride solution. These wastes, generated by the electronics industry, are used as feedstocks in the manufacture of the company's patented (U.S. Patent 3,705,061) continuous ammonia etchants and copper sulfate pentahydrate. The process involves removing copper by a liquid ion exchange (LIX) treatment. A phenolic oxime extractant, a kerosene based organic solvent mixed with 9% sulfuric acid, is used to chelate a super-saturated copper sulfate solution. Copper sulfate crystals are removed by cooling and centrifuging the solution. The liquid, barren of copper, is converted to ammonia hydroxide and ammonium chloride, which is sold as etchant. Due to the efficiency of this process, no waste is generated at the site.

The waste received at the site is hazardous because it is corrosive. It does not have an extreme pH, but corrodes steel (SAE 1020) at a rate greater than 6.35 mm (0.250 inch) per year at a test temperature of 55 degrees C (130 degrees F) as determined by the test method specified in NACE Standard TM-01-69 as standardized in "Test Methods for the Evaluation of Solid Waste, Physical/Chemical Methods".

The site qualified as a treatment facility in 1980 when the company acted as a transporter and recycler of acidic and chromium bearing wastes. Subsequently, the company filed a Part A Permit Application on August 7, 1980. After discontinuing the handling of these wastes, the company submitted an Affidavit of Exclusion on April 4, 1984 and

their permit application was withdrawn on the basis that the materials were recycled and regulated as hazardous waste on November 30, 1984. Due to federal regulation changes on January 4, 1985 which included the company's present operations, the company was again subject to the hazardous waste regulations. The new regulations required that the company submit a Part A by July 5, 1985. The company did not submit a Part A until January 25, 1986.

Local Water Resources: All storage and treatment units at this facility are inside a building. The tanks have curbs around them to prevent uncontrolled spillage. Therefore, there is little threat to the ground or surface waters from this facility.

## II. SUMMARY OF NONCOMPLIANCES AND PENALTIES

<u>Violation</u>	<u>Rule</u>	<u>Recommended Penalty</u>
No financial assurance for closure	31 TAC 335.112(a)(7)	\$8,100

### Discussion of Violations

1. Requirement: 31 TAC 335.112(a)(7), adopting 40 CFR 265.143 by reference. Financial assurance for closure costs.

Company Action Constituting Noncompliance: At the July 29, 1986 inspection, the company had no documentation of financial assurance for closure available on-site for review.

Company Efforts Towards Compliance: The company has not submitted any documentation to date of financial assurance for closure. They have stated that they will produce a letter of credit by December 10, 1986.



Noncompliances for Which No Penalty is Recommended

1. Failure to keep a written inspection schedule and inspection log. 31 TAC 335.112(a)(1), incorporating 40 CFR 265.15. At the July 29, 1986 inspection the company had no written inspection plan on-site and had no log of inspections performed.
2. Failure to keep a written operating record. 31 TAC 335.112(a)(4), incorporating 40 CFR 265.73. At the July 29, 1986 inspection, the company had no written operating record showing the description and quantity of each hazardous waste received, the method and date of its treatment, and each wastes' location at the facility.

Noncompliances Which Have Been Resolved Since the Inspection

The following noncompliances were noted at the July 29, 1986 inspection, but have been resolved:

1. Failure to submit Part A. This noncompliance is addressed in the third paragraph of this report.
2. Failure to update registration. The company has revised their notice of registration to reflect the current status at the facility.
3. Failure to maintain a written waste analysis plan and perform analyses on incoming wastes. The company has submitted a waste analysis plan. Due to the nature of the wastes, analysis of each incoming load of waste is not necessary. Copper solutions react easily with many other substances. For instance, a visually detectable color change indicates the addition of bases and acids; a phase separation indicates oil or solvent contamination.
4. General Prohibitions. The inspector noted blue precipitate and dust in the plant. The plant is completely enclosed in a building, and the tanks have dikes around them. Although the dust may be a concern to worker health and safety there is little threat to the surface and ground waters.
5. The sudden liability insurance documents have been revised to include the Hazardous Waste Facility Liability Endorsement.

### Chronology

August 7, 1980 - Southern California Chemical Company files a Part A Hazardous Waste Permit Application. The application reflects transportation and recycling of acidic and chromium bearing waste.

May 21, 1982 - TWC District 4 inspects site. Inspection indicates that operations at the site have changed and a hazardous waste permit application is no longer required. District 4 recommends that company file for exclusion from permitting, because their recycling operations were not regulated at the time.

April 4, 1984 - Company requests their application be withdrawn.

November 30, 1984 - Application withdrawn, on the basis that their recycling operations were not regulated as a hazardous waste operation.

January 4, 1985 - US EPA promulgates a redefinition of solid waste (40 CFR Part 261). This change in the regulations requires Southern California Chemical to file a Part A by July 5, 1985.

May 23, 1985 - Southern California Chemical Company requests TWC give an opinion as to whether the Part A is necessary.

June 14, 1985 - TWC Permits writes Southern California Chemical Company to inform them that a Part A is necessary.

January 25, 1986 - Part A submitted.

July 22, 1986 - Permits refers company to Enforcement. Permits requests that Enforcement not request a Part B application of the company at this time, but rather ensure that the company gains full compliance with the interim status requirements.

July 29, 1986 - District inspects site.

October 9, 1986 - Notice of Violation sent to company.

October 14, 1986 - Proof of sudden liability insurance submitted to TWC.

November 11, 1986 - Facts meeting with company. Waste analysis plan submitted at that time.

December 1, 1986 - Closure plan and cost estimate received by TWC.



### III. TECHNICAL RECOMMENDATIONS

1. Within 30 days of any order issued pursuant to this report, the company shall secure financial assurance for closure costs and submit proof of same to the TWC's Austin office.
2. Within 30 days of any order issued pursuant to this report, the company should develop and implement a written inspection schedule. A copy of the schedule should be kept at the site, available for TWC inspection at all times.
3. Within 30 days of any order issued pursuant to this report, the company should begin keeping a log of inspections performed. The log should be available at the site for TWC inspection at all times. The plan and log must address all the requirements of 31 TAC 335.112(a)(1), adopting 40 CFR 265.15 by reference.
4. Within 30 days of any order issued pursuant to this report, the company should keep an operating record on site, available for TWC inspection at all times. This record must address all the requirements of 31 TAC 335.112(a)(4), adopting 40 CFR 265.73 by reference.

Prepared by: Alice Hamilton Rogers

Inspected by: Richard Clarke, District 4

Penalty Computation Worksheet

Facility: Southern California Chemical Company, Inc.

Solid Waste Registration No. 30680

Citation of Noncompliance: 31 TAC 335.112(a)(7), adopting  
40 CFR 265.143 by reference.

Violation: No financial assurance for closure

Part I - Recommended Penalty Based on Violation

1. Level of impact or hazard of violation - major
2. Extent and gravity of violation - major

Penalty Recommended: \$8,000

Justification: Lack of financial assurance for the cost of facility closure presents a great potential risk to the public if a bankruptcy or abandonment of the entity occurs. A bankruptcy or abandonment occurring without financial assurance in place would leave the state liable for closure and result in expenditure of public funds.

Part II - Penalty Adjustments

1. History of Noncompliance

Recommendation: No adjustment

Justification: This noncompliance was first noted at the July 29, 1986 inspection.

2. Degree of Culpability

Recommendation: Upward 5%



Justification: Southern California Chemical Company had complete control over obtaining financial assurance. The company was aware that the redefinition of solid waste affected their site, and that action on the company's part would be necessary to be in compliance with applicable regulations.

3. Good Faith Efforts

Recommendation: No adjustment

Justification: The company has not acted promptly to remediate this violation.

4. Economic Benefit of Noncompliance

Recommendation: No adjustment

Justification: The company has avoided only a small expenditure by this noncompliance.

5. Enhanced Penalty Needed to Deter Future Violations

Recommendation: No adjustment

Justification: It is unlikely that this violation will reoccur.

Total Penalty Adjustment: 5% upward

Total Penalty Per Event: (Part I and II): \$8,100

Part III - Recommended Total Penalty Computation

Total Number of Penalty Events: One event counting only the inspection date, thus avoiding duplication of penalties.

Total Penalty Amount: \$8,100.





# CERTIFICATE OF INSURANCE

GET TAB STOPS AT ARROWS  
ISSUE DATE (MM/DD/YY)

9/24/86

## PRODUCER

Atlantic Security Limited  
Kitson Building  
P.O. Box HM 2078  
Hamilton 5, Bermuda

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## COMPANIES AFFORDING COVERAGE

COMPANY LETTER	A	Universal Re-Insurance Company Ltd
COMPANY LETTER	B	
COMPANY LETTER	C	
COMPANY LETTER	D	
COMPANY LETTER	E	

## INSURED

Southern California Chemical  
Company, Inc.  
8851 Dice Road  
Santa Fe Springs, CA 90670

## COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIABILITY LIMITS IN THOUSANDS		
						EACH OCCURRENCE	AGGREGATE
	<b>GENERAL LIABILITY</b>				BODILY INJURY	\$	\$
	<input type="checkbox"/> COMPREHENSIVE FORM				PROPERTY DAMAGE	\$	\$
	<input type="checkbox"/> PREMISES/OPERATIONS				BI & PD COMBINED	\$	\$
	<input type="checkbox"/> UNDERGROUND						
	<input type="checkbox"/> EXPLOSION & COLLAPSE HAZARD						
	<input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS						
	<input type="checkbox"/> CONTRACTUAL				PERSONAL INJURY	\$	
	<input type="checkbox"/> INDEPENDENT CONTRACTORS						
<input type="checkbox"/> BROAD FORM PROPERTY DAMAGE							
<input type="checkbox"/> PERSONAL INJURY							
	<b>AUTOMOBILE LIABILITY</b>				BODILY INJURY (PER PERSON)	\$	
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (PER ACCIDENT)	\$	
	<input type="checkbox"/> ALL OWNED AUTOS (PRIV. PASS.)				PROPERTY DAMAGE	\$	
	<input type="checkbox"/> ALL OWNED AUTOS (OTHER THAN PRIV. PASS.)				BI & PD COMBINED	\$	
	<input type="checkbox"/> HIRED AUTOS						
	<input type="checkbox"/> NON-OWNED AUTOS						
	<input type="checkbox"/> GARAGE LIABILITY						
	<b>EXCESS LIABILITY</b>				BI & PD COMBINED	\$	\$
	<input type="checkbox"/> UMBRELLA FORM						
<input type="checkbox"/>	OTHER THAN UMBRELLA FORM						
	<b>WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY</b>				STATUTORY		
					\$	(EACH ACCIDENT)	
					\$	(DISEASE-POLICY LIMIT)	
					\$	(DISEASE-EACH EMPLOYEE)	
A	<b>OTHER</b> Pollution Legal Liability	00144	4/1/86	3/31/87	\$1 Mil CSL \$2 Mil Agg.		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Hazardous Waste Facility Liability Endorsement included.

## CERTIFICATE HOLDER

Texas Water Commission  
P.O. Box 13087  
Capitol Station  
Austin, Texas 78711  
Attn: Sonia Ralls

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



## HAZARDOUS WASTE FACILITY LIABILITY ENDORSEMENT

1. This endorsement certifies that the policy to which the endorsement is attached provides liability insurance covering bodily injury and property damage in connection with the insured's obligation to demonstrate financial responsibility under 40CFR 264.147 or 265.147. The coverage applies at TXD047823265 Southern California Chemical Company, 1000 North First Street, Garland, Texas 75040 for sudden and non-sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate, exclusive of legal defense costs.

2. The insurance afforded with respect to such occurrences is subject to all of the terms and conditions of the policy; provided, however, that any provisions of the policy inconsistent with subsections (a) through (e) of this Paragraph 2 are hereby amended to conform with subsections (a) through (e):

(a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy to which this endorsement is attached.

(b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).

(c) Whenever requested by the Executive Director of the Texas Water Commission, the Insurer agrees to furnish to the Executive Director a signed duplicate original of the policy and all endorsements.

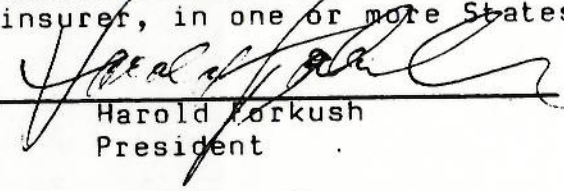
(d) Cancellation of this endorsement, whether by the Insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Executive Director of the Texas Water Commission.

(e) Any other termination of this endorsement will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Executive Director of the Texas Water Commission.

Attached to and forming a part of policy No. 00144 issued by Universal Re-Insurance Company Ltd., herein called the Insurer, of P.O. Box HM2078, Spithead House, Reid Street, Hamilton 5, Bermuda, this 1st day of October, 1986. The effective date of said policy is the 1st day of April, 1986.

I hereby certify that the wording of this endorsement is identical to the wording specified in 40 CFR 264.151(i) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Signature:

  
Harold Forkush  
President

Authorized Representative of:

Universal Re-Insurance Company Ltd.  
P.O. Box HM2078  
Spithead House, Reid Street  
Hamilton 5, Bermuda



# TEXAS WATER COMMISSION

30680

Paul Hopkins, Chairman  
Ralph Roming, Commissioner  
John O. Houchins, Commissioner



Larry R. Soward, Executive Director  
Mary Ann Hefner, Chief Clerk  
James K. Rourke, Jr., General Counsel

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Wayne A. Millsap  
Southern California Chemical Co., Inc.  
1000 North First St.  
Garland, Texas 75040

Re: Southern California Chemical Co., Inc.,  
Solid Waste Registration No. 30680  
Notice of Solid Waste Violations

Dear Mr. Millsap:

On July 29, 1986, Texas Water Commission (TWC) representatives from the District 4 area office conducted an inspection of the above noted facility in order to survey compliance of the operation with the Commission's rules pertaining to solid waste management. During the inspection, conditions were observed and documented that we believe are violations of the solid waste rules.

The following areas of alleged noncompliance were observed during the inspection:

1. The Part A Permit Application was not filed within the specified time frame. Interim status was denied by this agency in a letter dated June 13, 1986. The company is operating as a recycler of hazardous waste without a permit or interim status as required by 31 Texas Administrative Code (TAC) 335.24, 335.2 and 335 Subchapter E. Southern California Chemical Company, Inc. transports, receives and stores hazardous waste prior to recycling. The material is transported by company-owned tank trucks, railcar, and container vehicles. The materials are either transferred directly into four 5,400-gallon above-ground polyolefin holding tanks or put into a container storage area. The container storage area will accumulate up to one hundred 55-gallon containers.
2. At the time of the inspection, the company had not updated its registration to reflect a change in contact person, change in number of employees, generation of new wastes, and on-site waste storage facilities for tanks and container storage areas. A notice of registration update request was submitted on July 29, 1986 and an updated



registration notice of registration was mailed to the company on August 28, 1986.

3. The operator does not obtain a detailed chemical analysis of wastes as specified in the waste analysis plan and required by 31 TAC 335.112, adopting 40 CFR 265.13. For most cases, the manager assumes the material to be adequate by visual inspection upon arrival at the facility.
4. No written schedule is used to inspect monitoring equipment, safety and emergency equipment, security devices and operating equipment as required by 31 TAC 335.112, incorporating 40 CFR 265.15. No inspection log was maintained. In addition, no inspection of storage tanks or related equipment was conducted in accordance with 31 TAC 335.112, incorporating 40 CFR 265.194.
5. Waste tank outlet and inlet valves and area surrounding tanks had a heavy blue precipitate indicating continued leakage. The floor throughout the plant was lightly coated with the same precipitate. This was in violation of 31 TAC 335.4.
6. No operating record was available as required by 31 TAC 335.112, incorporating 40 CFR 265.73.
7. The documentation of sudden liability insurance submitted to the TWC's Austin office did not include the Hazardous Waste Facility Liability Endorsement as required by 31 TAC 335.112, which incorporates 40 CFR 265.147(a)(1)(i), which references 40 CFR 264.151(i).
8. The Company did not have financial assurance for closure as required by 31 TAC 335.112, incorporating 40 CFR 265, Subpart H.
9. The company did not have a closure cost estimate as required by 31 TAC 335.112, incorporating 40 CFR 265.142. A closure cost estimate dated August 21, 1986 has been received by the Austin office. However, the estimate is inadequate because it assumes that Southern California Chemical will be taken by another Southern California Chemical site. Please note that the



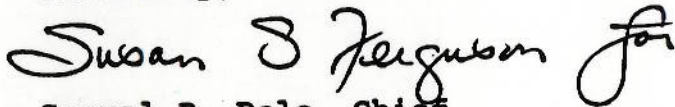
Mr. Wayne A. Millsap  
Page 3

TWC's Technical Guideline No. 10 (see enclosed) requires that the estimate be based on abandonment of the site and closure by another party. The closure cost estimate and the closure plan should be revised to include these requirements.

In response to these alleged noncompliances, the Texas Water Commission is instituting Enforcement Action, including administrative penalties not to exceed \$10,000 per day. Accordingly, you are being advised so that you can make an appropriate response to each noncompliance.

We offer you the opportunity to arrange for a facts meeting in our Austin office to be held within two weeks from the date of this letter. If you have any questions or comments concerning this matter please contact Alice Hamilton Rogers of our Enforcement Section at AC 512/463-8181.

Sincerely,



Samuel B. Pole, Chief  
Hazardous and Solid Waste Enforcement Section  
Hazardous and Solid Waste Division

AHR:mh

cc: Richard Clarke, District 4  
Russell Kimble, Reports and Management Group  
Legal Division  
Nancy Frank, Permits Section

# Texas Water Commission

## INTEROFFICE MEMORANDUM

TO : Sam Pole, Chief, H&SW Enforcement Section DATE: July 22, 1986  
THRU :  
FROM : Minor Hibbs, Chief, H&SW Permits Section  
SUBJECT: Southern California Chemical Co.  
Industrial Solid Waste Registration No. 30680

Southern California Chemical Co. (SCC) operates a chemical reclamation plant in Garland, Texas which processes copper ammonium chloride solution and cupric chloride solution to produce etchant solution, ammonium chloride solution and copper sulfate.

SCC received notice on November 30, 1984 that their Part A hazardous waste permit application was withdrawn. Due to the promulgation of the January 4, 1985 redefinition of "solid waste," however, it was determined that SCC was subject to permitting requirements and we requested that SCC submit a new Part A hazardous waste permit application by July 5, 1985. Since the Part A hazardous waste permit application was received March 26, 1986 it appears that the subject facility has not qualified for "interim status." We, therefore, recommend this case for your immediate action. We recommend that you do not request a Part B at this time but rather ensure that SCC gains compliance with the applicable "interim status" standards. Should you have any further questions, please contact Nancy E. Frank of this section at 3-8183.

All communications with SCC should be directed to Mr. Gary Lawson of Jenkins, Hutchinson and Gilchrist at (214)855-4500 or (214)761-4610.

  
Minor Hibbs

NEF:lab



ENFORCEMENT SCREENING COMMITTEE ACTION

DATE: 9/3/86

COMMITTEE MEMBERS PRESENT: Bill Brown, Russ Kimble, Bob Lee, Mary Reagan, Brenda Foster, Jim Haley

ENTITY: Southern California Chemical Co., Inc.

REGISTRATION OR PERMIT NO. 30680

CITY OR TOWN: Garland

COUNTY: Dallas

DISTRICT/REGIONAL OFFICE: District 4

DECISION: HIGH PRIORITY X

TYPE OF ACTION TO BE TAKEN: The entity is a commercial recycler of hazardous wastes that has no interim status. RCRA violations include class 1 violations of closure requirements (31 TAC 335.112.(a)(6)) and financial assurance (31 TAC 335.112.(a)(7)), as well as other miscellaneous class 1 violations associated with programatic requirements. Investigate and recommend appropriate enforcement response.

TEXAS DEPARTMENT OF WATER RESOURCES

1700 N. Congress Avenue  
Austin, Texas



Charles E. Nemir  
Executive Director

TEXAS WATER DEVELOPMENT BOARD

Louis A. Beecherl, Jr., Chairman  
George W. McCleskey, Vice Chairman  
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TEXAS WATER COMMISSION

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June 14, 1985

Ms. Tere King, Manager  
Environmental Affairs  
Southern California Chemical Company, Inc.  
8851 Dice Road  
Santa Fe Springs, California 90670-0118

Dear Ms. King:

Re: Solid Waste Registration No. 30680

The Texas Department of Water Resources is in receipt of a May 23, 1985 request from Southern California Chemical Co., Inc. for clarification of the status of the recycling activities conducted at the Garland, Texas facility with regard to hazardous waste permitting requirements. The information provided here is based on the revised definition of solid waste proposed April 4, 1983, and modified and finalized January 4, 1985.

It is apparently SCC's contention that the subject recycling activity is a "closed-loop" system as discussed in 48 FR 14488/89 and 50 FR 639/640. The Agency is excluding certain secondary materials from the definition of solid waste when specific "closed loop" recycling criteria are met.

One of these criteria is that the spent material must be returned to the original primary production process. This does not appear to be the case, since the spent material is returned to a secondary (reclamation) process. Therefore, the activity at ACC does not appear to meet the exclusion and appears to be subject to the hazardous waste permitting requirements. Under 31 Texas Administrative Code (TAC) Section 335.2(c) and 40 CFR 270.10(e), a permit application for the subject activity must be submitted to the Department prior to July 5, 1985.

If you have any questions regarding this matter, contact Dick Martin at AC512/463-8195.

Sincerely,

Minor Brooks Hibbs, Head  
Registration Unit  
Industrial Solid Waste Section

DM:bb

cc: TDWR District 4 Office - Duncanville

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SO. CALIF. CHEM. CO.





## INVESTIGATION REPORT

Southern California Chemical Company, Inc.  
1000 North First Street  
Garland, Texas 75040  
Solid Waste Registration No. 30680

### I. Introduction

- A. Southern California Chemical Company, Inc.  
1000 North First Street  
Garland, Texas 75040

### B. List of Permits

Texas Water Commission Registration No. 30680  
EPA I.D. No. TXD047823265

### C. Permit Provisions

Texas Water Commission's Registration No. 30680 describes hydrochloric acid with ferric and copper chlorides and sulfuric acid with chromates as wastes generated.

No on-site waste management facilities were identified.

### D. Background Information

Southern California Chemical Company, Inc. began operations in 1969 and have been at their present site since 1978. From 1969 to 1979, they were involved in the manufacturing of acid etchant solutions from raw materials for sale to the electronics industry. Since 1979, the company has been involved in the transportation and recycling of spent alkaline copper ammonium chloride etchant. The process involves removing copper by a liquid ion exchange (LIX) treatment. A phenolic oxime extractant, kerosene base organic solvent mixed with 9% sulfuric acid, is used to chelate a super-saturated copper sulfate solution. Copper sulfate crystals are removed by cooling and centrifuging the solution. The liquid barren of copper is converted to ammonia hydroxide and ammonium chloride which is sold as etchant. According to the operator, no waste is generated due to the highly efficient recycling process. The facility processes approximately 100,000 gallons per month.

The site qualified as a TSD facility in 1980 when the company acted as a transporter of acidic and chromium bearing wastes as well as a recycler. Subsequently, the company filed for a Part A Permit Application on August 7, 1980 as a TSD facility. With the discontinued use of these particular wastes, an Affidavit of Exclusion was submitted on April 4, 1984 and withdrawn on November 30, 1984.

Due to federal regulation changes of January 4, 1985 which redefined "solid waste" and clarified the scope of recycling activities subject to permitting requirements, the Part A hazardous waste permit application was necessitated. The Part A was submitted but was not filed by the July 5, 1985 deadline. It was submitted January 25, 1986. Therefore, the facility did not qualify for "interim status" and is operating without a permit.

On July 29, 1986, the writer, accompanied by Aron Athavaley, District 4 Investigator, contacted Mr. Millsap, Plant Manager, and Ms. Tere King, Manager of Environmental Affairs, and conducted a hazardous waste inspection.

The following deficiencies were noted:

1. The Part A Permit Application was not filed within the specified time frame. Interim status was denied by this agency in a letter dated June 13, 1986.
2. The company is operating as a recycler of hazardous waste without a permit or interim status as required by TAC 335.24, TAC 335.2, and TAC Subchapter E. Southern California Chemical Company, Inc. transports, receives, and stores hazardous waste prior to recycling. The material is transported by company-owned tank trucks, railcar, and container vehicles. The materials are either transferred directly into four 5,400-gallon above-ground polyolefine holding tanks or put into a container storage area. The container storage area will accumulate up to one hundred 55-gallon containers.
3. At the time of inspection, the company had not updated its registration to reflect a change in contact person, change in number of employees, generation of new wastes, and on-site waste storage facilities for tanks and container storage areas. A notice of registration update request was submitted on July 29, 1986 following this inspection.
- \*4. The operator does not obtain a detailed chemical analysis of wastes as specified in the waste analysis plan and required by TAC 335.112. For most cases, the manager assumes the material to be adequate by visual inspection upon arrival at the facility.
- \*5. No written schedule is used to inspect monitoring equipment, safety and emergency equipment, security devices and operating equipment as required by TAC 335.112. No inspection log is maintained.

\*Refers to those regulations required for a permitted facility.



- \*6. No inspection of storage tanks or related equipment is conducted as required by TAC 335.112.
- 7. Waste tank outlet and inlet valves and area surrounding tanks had a heavy blue precipitate indicating continued leakage. The floor throughout the plant was lightly coated with the same precipitate. This is in violation of General Prohibitions TAC 335.4.
- \*8. No operating record was available as required by TAC 335.112.
- \*9. No sudden or non-sudden liability reported to Central Office as required by TAC 335.112.
- \*10. The company does not have a closure assurance as required by TAC 335.112.
- \*11. The company does not have a closure plan as required by TAC 335.112.
- \*12. The company does not have a closure cost estimate as required by TAC 335.112.

## II. Waste Handling Facility

### A. Type of Facility

The referenced facility is a transporter, storer, and recycler of hazardous waste.

### B. Description of Facility

The referenced facility transports and receives hazardous waste from off-site generators. They store this waste in four 5,400-gallon tanks and 55-gallon containers prior to recycling.

## III. Violation

<u>Violation</u>	<u>Data Source</u>	<u>Permit or Other Requirement</u>
1. General Application Requirements	Letter dated 6/13/86	TAC 335.43 and 40 CFR 270.1(e)
2. No Permit	Inspection 7/29/86	TAC 335.2, TAC 335.24, and 40 CFR Subchapter F

\*Refers to those regulations required for a permitted facility.

Investigation Report  
Southern California Chemical Company, Inc.  
Registration No. 30680  
Page 4  
August 21, 1986

3. Notification Requirements	Inspection 7/29/86	TAC 335.6(c)
*4. Waste Analysis	Inspection 7/29/86	TAC 335.112 and 40 CFR 265.13
*5. General Inspection Requirements	Inspection 7/29/86	TAC 335.112 and 40 CFR 265.15
*6. Inspection of Tanks	Inspection 7/29/86	TAC 335.112 and 40 CFR 265.194
7. General Prohibitions	Inspection 7/29/86	TAC 335.4
*8. Operating Record	Inspection 7/29/86	TAC 335.112 and 40 CFR 265.73
*9. Liability	Inspection 7/29/86	TAC 335.112 and 40 CFR 265, Subpart H
*10. Closure Assurance	Inspection 7/29/86	TAC 335.112 and 40 CFR 265, Subpart H
*11. Closure Plan	Inspection 7/29/86	TAC 335.112 and 40 CFR 265.112
*12. Cost Estimate for Closure	Inspection 7/29/86	TAC 335.112 and 40 CFR 265.142

\*Refers to those regulations required for a permitted facility.



TXD047823-65

## Texas Water Commission

### INTEROFFICE MEMORANDUM

TO : Charles Gill, District Manager  
District 4 Office

DATE: 9/29/86

THRU :

FROM : Samuel Pole, Chief, Enforcement Section, Hazardous and  
Solid Waste Division

SUBJECT: Enforcement Action - Southern California Chemical Co.  
Solid Waste Registration No. 30680

A memorandum regarding the above subject has been received by this office. The matter has been assigned to Alice Rogers of the Enforcement Unit for necessary action. If you have any questions or additional information, please feel free to contact Alice Rogers.

  
Samuel Pole

AHR:je

cc: Russell Kimble